

25X1A

5 January 1971

MEMORANDUM FOR: [REDACTED]

25X1A

SUBJECT : [REDACTED]

REFERENCE : RE - LO - 18 - 70

1. In response to your memorandum dated 29 December 1970,  
I have reviewed the reports by [REDACTED] I have  
reviewed the other reports you provided and met with [REDACTED]  
and Messers [REDACTED] I am in agreement with the  
findings of the engineers as stated so well by [REDACTED] of the  
[REDACTED] in his Inspection Report dated 21 December 1970:

25X1A

25X1A

25X1C

"During the inspection and testing, several of the details  
were discussed and the vendor agreed that changes were  
necessary to provide construction which complies with  
contract specifications and an installation that will  
be less likely to cause operational and maintenance  
problems in the future."

Therefore, the only conclusion I can reach at this time is that  
unless the first bidder can, within the 45 days after bid opening,  
demonstrate on the mock up the acceptable changes necessary to  
comply with the contract specifications he be officially rejected  
and notified of his failure to meet specifications and that bidder  
number two be notified to proceed with his mock up for presentation

CONFIDENTIAL

and review within the next 45 day period.

2. The fifteen paragraphs of shortcomings listed by [REDACTED]

25X1A

25X1C

25X1A

[REDACTED] were similarly noted in the report by Engineer

[REDACTED] An additional five more failures were indicated in the reports by the service users [REDACTED] who also itemized the points the engineers reported. Paragraph 20.1 in the Specification Booklet No. 964, distributed by the [REDACTED]

25X1A

25X1C

[REDACTED] as its Invitation for Bids, was accepted by the all bidders and it requires:

25X1A

"An award of contract will not be made until the mock-up is completed and the contractor has operated it . . . without any difficulty to satisfy the Using Service and the Contracting Officer representative that the system will operate smoothly and satisfactorily."

Every single person that attended that mock up demonstration found and reported unsatisfactory conditions. It is true that the salesmen representing the vendor promised to correct the shortcomings, (and no one in the world expected him to promise anything else.) But until many of those corrections are made and demonstrated no one can be certain that they will finally operate satisfactorily. They may or they may not.

**CONFIDENTIAL**

25X1C

3. [REDACTED] report hopes the rails will not pull loose from the floor or flake and groove when corrected; that the safety device may work as hoped for; that the shortened carriage assembly may not intrude into the center aisle; and that the proposed rubber cushion may not increase but will decrease the bounce and drift of the shelving. We hope that resistance to the ankle high safety device will end and it will be created and installed eventually. It has never been shown yet and we have not yet seen the complete device of the newly promised secondary safety mechanism which Mr. Burford mentions. We sincerely hope that the solenoid and drive chain can work when clean and that it is feasible and practical for the area and chain to be installed clean and kept clean under the floor when you consider the cement and construction problems involved. [REDACTED] report goes on for two more pages of corrections that need to be made to meet specifications.

25X1C

4. Likewise, the User Service was equally disappointed with the shortcomings exposed by the demonstration. They also noted the same faults the engineers highlighted and added these five for your consideration:

(a) The bottom shelf was modified and changed from metal to unfinished plywood without any consultation. We know from years of experience that the heavy staples in the box bottoms

**CONFIDENTIAL**

**CONFIDENTIAL**

are extremely abrasive on steel and will chew that plywood surface into toothpicks in short order. The bottom shelf must be steel like all the others. This should be part of the contract and not left to be corrected [REDACTED] later on as was suggested by RE&C.

25X1A

(b) The two 17 $\frac{1}{2}$  - foot shelf units were separated by five or so inches of space. This extends the shelving into the center aisle. The specifications ask for a clear seven foot center aisle for the lift trucks and loading pallets. The salesmen say the space can be reduced from 5 to one inch. No one is certain whether the two units will jam when run that close together. This should be positively established before we start ripping out what we have in the center.

(c) There was no ankle high safety device as specifications require. The override key was not installed or tested.

(d) There was no decking between the rails in the mockup. Consequently there were no tests of ladders and trucks over the track opening in the aisle floor.

(e) The drifting of shelving back into the opened aisle was not satisfactorily explained or solved. Continuous juggling with the motor button could trick the aisle sufficiently open for a man with ladder to enter, only to find the second 17-foot section had drifted closed by several inches which meant retreat from the

**CONFIDENTIAL**

aisle to the button for more punching. Several possibilities were speculated. It could be grease on the drive chain and solenoid or a bouncy crash plate at the rail's end.

A cure is promised, but we have seen dozens of shelving installations which endured months of corrective changes and improvizings on site in the operating area. The corrective delays and disruptions are as big a liability as is the initial drifting problem. With several hundred references to be made in these shelves each day we would rather wait until the problem is corrected on the outside and a good working unit installed.

5. I am certain the problems can be solved. The vendor's representatives are very agreeable about making the necessary changes to meet the specifications. We hope the changes will correct the problems but are not certain and won't know until they are demonstrated. It is possible the engineers are convinced the corrections will work and their offices will underwrite any change orders that may be necessary later on. It would be preferable to have these corrections accomplished and reviewed at the mock up before any contract is signed, because the cooperative spirit usually dims after the ink dries.

**CONFIDENTIAL**

6. I will appreciate if we can meet with you and your engineers to discuss the vendors shortcomings and determine what can be done before the Agency contracts to get involved in a serious problem. I feel it would be better to permit some deadline slippage rather than rush into a product still under development. We should decide how much of their funds [REDACTED] and Logistics or the [REDACTED] are ready to invest in change orders or in correcting the vendor's shortcomings after they are installed. I doubt that the User Service will have any funds beyond the amount of the contract and that paid for professional Engineering assistance.

25X1A

25X1C

25X1A

[REDACTED]  
CIA Records Administration Officer